

## General Assembly

## **Amendment**

February Session, 2008

LCO No. 3818

\*SB0053403818SR0\*

Offered by:

SEN. MCKINNEY, 28th Dist.

To: Subst. Senate Bill No. **534** 

File No. 138

Cal. No. 120

"AN ACT CONCERNING CASH ADVANCE CONTRACTS AND PLAINTIFFS IN PERSONAL INJURY AND WRONGFUL DEATH CASES."

- 1 After the last section, add the following and renumber sections and
- 2 internal references accordingly:
- 3 "Sec. 501. Section 52-251c of the general statutes is repealed and the
- 4 following is substituted in lieu thereof (*Effective from passage*):
- 5 (a) In any claim or civil action to recover damages resulting from
- 6 personal injury, wrongful death or damage to property occurring on or
- 7 after October 1, 1987, the attorney and the claimant may provide by
- 8 contract, which contract shall comply with all applicable provisions of
- 9 the rules of professional conduct governing attorneys adopted by the
- 10 judges of the Superior Court, that the fee for the attorney shall be paid
- 11 contingent upon, and as a percentage of: (1) Damages awarded and
- 12 received by the claimant; or (2) the settlement amount received
- 13 pursuant to a settlement agreement.

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(b) In any such contingency fee agreement such fee shall be the exclusive method for payment of the attorney by the claimant and shall not exceed an amount equal to a percentage of the damages awarded and received by the claimant or of the settlement amount received by the claimant as follows: (1) Thirty-three and one-third per cent of the first three hundred thousand dollars; (2) twenty-five per cent of the next three hundred thousand dollars; (3) twenty per cent of the next three hundred thousand dollars; (4) fifteen per cent of the next three hundred thousand dollars; and (5) ten per cent of any amount which exceeds one million two hundred thousand dollars.

[(c) Notwithstanding the provisions of subsection (b) of this section, a claimant may waive the percentage limitations of said subsection if the claim or civil action is so substantially complex, unique or different from other wrongful death, personal injury or property damage claims or civil actions as to warrant a deviation from such percentage limitations. Factors that may indicate that a claim or civil action is substantially complex, unique or different from other wrongful death, personal injury or property damage claims or civil actions include, but are not limited to, if the claim or civil action (1) involves complex factual medical or legal issues, (2) involves serious permanent personal injury or death, (3) is likely to require extensive investigation and discovery proceedings, including multiple depositions, or (4) requires independent expert witness testimony. For the purposes of this subsection, "independent expert witness testimony" means testimony, whether at trial or in a deposition, from an expert who has not participated in the care of the claimant and has not participated in any official investigation of the incident involved.

(d) Prior to a claimant entering into a contingency fee agreement that provides for a fee that exceeds the percentage limitations of subsection (b) of this section, the attorney shall (1) explain the percentage limitations of subsection (b) of this section to the claimant and the reasons the attorney is unable to abide by those limitations; (2) advise the claimant of the claimant's right to seek representation by another attorney willing to abide by the percentage limitations of

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subsection (b) of this section; and (3) allow the claimant a sufficient period of time to review the proposed contingency fee agreement and, if the claimant wishes, seek representation by another attorney prior to entering into such agreement.

- (e) No waiver of the percentage limitations of subsection (b) of this section shall be valid unless the contingency fee agreement (1) is in writing, (2) sets forth in full the fee schedule of subsection (b) of this section, (3) contains a conspicuous statement, printed in boldface type at least twelve points in size, in substantially the following form: "I UNDERSTAND THAT THE FEE SCHEDULE SET FORTH IN SECTION 52-251c OF THE CONNECTICUT GENERAL STATUTES LIMITS THE AMOUNT OF ATTORNEY'S FEES PAYABLE BY A CLAIMANT AND THAT THE STATUTE WAS INTENDED TO INCREASE THE PORTION OF THE JUDGMENT OR SETTLEMENT WAS **ACTUALLY** BY THAT RECEIVED A CLAIMANT. NOTWITHSTANDING THAT THE LEGISLATIVE INTENT IN ENACTING THAT FEE SCHEDULE WAS TO CONFER A BENEFIT LIKE MYSELF, KNOWINGLY A CLAIMANT I VOLUNTARILY WAIVE THAT FEE SCHEDULE IN THIS CLAIM OR CIVIL ACTION.", and (4) is signed and acknowledged by the claimant before a notary public or other person authorized to take acknowledgments.
- (f) If a claimant waives the percentage limitations of subsection (b) of this section pursuant to this section, in no event shall (1) the total fee under the contingency fee agreement exceed thirty-three and one-third per cent of the damages awarded and received by the claimant or of the settlement amount received by the claimant, and (2) the claimant be required to repay any costs that the attorney incurred in investigating and prosecuting the claim or civil action if there is no recovery.
- (g) No fee shall be payable to any attorney who seeks a fee that exceeds the percentage limitations of subsection (b) of this section unless the claimant has waived such limitations pursuant to this

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section and the contingency fee agreement complies with the requirements of subsection (e) of this section.]

[(h)] (c) For the purposes of this section, "damages awarded and received" means in a civil action in which final judgment is entered, that amount of the judgment or amended judgment entered by the court that is received by the claimant; "settlement amount received" means in a claim or civil action in which no final judgment is entered, the amount received by the claimant pursuant to a settlement agreement; and "fee" shall not include disbursements or costs incurred in connection with the prosecution or settlement of the claim or civil action, other than ordinary office overhead and expense."